



COMMISSION NEWS

ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

TO: EDITORS, NEWS DIRECTORS
FOR: IMMEDIATE RELEASE

DATE: July 20, 1998
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CORPORATION COMMISSION ORDERS ASU PROFESSOR TO HALT ALLEGED INTERNET FRAUD

The Arizona Corporation Commission has ordered an ASU professor and two out-of-state residents to stop conducting solicitations for an investment program that the Commission alleges does not exist. A Temporary Order to Cease and Desist was issued against respondents Robert Stahl, 52 of Tempe, Arizona; Elizabeth Boyd, 54, of Fort Myers, Florida; and David Francis, 33, of Bowling Green, Kentucky, for their promotion of unregistered trading programs in European "prime bank" debentures. The Commission alleges that there are no such programs in the legitimate financial world. The Order is the result of an investigation by the Securities Division of the Commission.

The Commission alleges that Stahl, who is President of an entity called Inve\$tit Opportunities, solicited persons through his web site. The web site was operated through Stahl's office at ASU, where Stahl is a professor of secondary education. Persons who contact the web site are given information about "risk free" investment options with "guaranteed" returns as high as 18% annually. Potential investors are then introduced to Boyd and Francis, who solicit the investor for as much as \$10 million dollars for programs offering 100% return every 10 days. The respondents represent that the investor's money is safe, because it is only used for collateral in effecting trades. The Commission alleges, however, that the respondents require a power of attorney over the account that would give third parties unlimited access to investor money. Investors are told that the trading program is not allowed in the U.S. by the Federal Reserve, but European banks have been trading in this manner for years.

The respondents will be afforded an opportunity for a hearing on the Commission's allegations. The Commission will seek a permanent cease and desist, as well as fines and restitution, as appropriate. Jim Irvin, Chairman of the Corporation Commission warned, "Prime bank scams are rampant across the nation and Arizona is aware of several of them. We intend to take strong measures to prevent investors in this state from becoming victims of these fictitious programs, and will seek the strongest possible sanctions against those who commit these fraudulent actions. Consumers should be aware that there are no "risk free" returns of 18%; not with 30 year United States Treasury bonds yielding approximately 5.7% currently."